Kingston University London

MINUTES
BOARD OF GOVERNORS

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS HELD ON WEDNESDAY 15th MAY 2013 in RV HW205, ROEHAMPTON VALE

Present:
Roderic Lyne (Chair), Heather Allan, Jan Broadbent, Chris Brooks, David Carter, Stephen Cooksey, James Denholm-Price, David Edmonds, Gary Ernest, Caroline Gipps, Lesley Granger, Robert Green, Frank Kennedy, Peter Kopelman, Neil MacIntosh, John Ripley, Liz Rylatt, Jane Scott, Julius Weinberg, Jo Woods.

In attendance:
Deputy Vice-Chancellor, Pro Vice-Chancellor (Corporate Affairs) & University Secretary, Pro Vice-Chancellor (Research and Enterprise), Pro Vice-Chancellor, Finance Director, Head of Secretariat, Head of Planning, Head of Governance Support, Meeting and Events Coordinator

Observer:
Rita Serghis, Kingston University Students' Union

Introduction

The Chair welcomed the new Head of Governance Support to her first meeting, and thanked the outgoing Meeting and Events Coordinator.

Formal Matters

39. Apologies for Absence

39.1 Apologies for absence were received from Bruce Fraser, Lesley-Jane Eales-Reynolds, Sean Kelly, Sunitha Narendran and Sue Rimmer.

40. Announcements

40.1 The next meeting of Academic Board will be held at 2pm on Wednesday 19th June at the Penrhyn Road campus. Any governor who wishes to attend should contact the Head of Secretariat.

40.2 The Governor's Dinner will take place on Tuesday 11th June at 7pm for 7.30pm at Dorich House. The external speaker will be Sir Drummond Bone, Master of Balliol College Oxford. The Deans of Faculties and the new Chancellor, Bonnie Greer, will also be guests.

41. Conflicts of Interest

41.1 No conflicts of interest were declared.

42. Minutes of the Board of Governors meeting held on 20th March 2013

42.1 The minutes of the meeting held on 20th March 2013 were approved.

42.2 Matters Arising/Action Grid

42.2.1 Action 45/12 – Fundraising

This will be addressed during a workshop part of the away day to follow the Board meeting. Output from the workshop will be incorporated into a final proposal to be considered by Senior Management Team, the June meeting of the Finance Committee, and the Board for approval in July 2013.

42.2.2 Action 1/13 and 2/13

These items will be discussed at the November Board meeting.

42.2.3 Action 4/13 – RAG Reporting for KPI Updates

This action is completed. RAG (red, amber, green) reporting has been incorporated into the KPIs to be presented to the Board.

Board Business

43. Succession Planning of Chair

(Verbal Report)

43.1 The Chair announced his intention to stand down as Chair of the Board of Governors after the July Board meeting.

43.2 Informal discussions with Board members are currently taking place. A formal recommendation for a new Chair will be discussed by the Nominations and Governance committee in June, which will make recommendations to the Board on 10th July.

Strategy

44. Vice-Chancellor's Report

(Paper BG 26/13)

44.1 The Vice-Chancellor reported that there had been a robbery with violence at the Student Union bar on the Knights Park campus. Steps are being taken to improve security on the campus.

44.2 The Board discussed a recent article in the Times newspaper about religious extremism on campus, in which the University was mentioned. The Vice-Chancellor reported on the University's processes for groups on campus. As a secular organisation, facilities can be offered to faith groups, but no dedicated space is available to particular groups. Student clubs and societies are subject to clear regulations. All student meetings must comply with both the law and the University's values statement; thus there must be no segregation apart from devotional

activity. Requests for external speakers are referred to the Pro Vice-Chancellor (Corporate Affairs) and University Secretary. As an organisation which wishes to promote freedom of speech, requests for external speakers are not normally denied unless the Police advise against it. Any student society which had been found to have breached the law or the University's values would have their right to invite external speakers withdrawn. The Vice-Chancellor and members of the senior team assured the Board that the processes in place are robust and in line with best practice in the sector. The Board agreed that they would welcome an opportunity to discuss these issues further and to take a strong position in support of the University's management team.

44.3 It was resolved that the Board would receive a paper setting out the University's policy and procedures on extremism on campus, including how extremism is monitored, and what sanctions are available. The paper will be discussed at a Board meeting ideally in autumn 2013.

Action: Draft a paper as outlined in minute 44.3 above [Pro Vice-Chancellor, Corporate Affairs and University Secretary]

44.4 The Vice-Chancellor reported on the recent annual visit from HEFCE which provided an opportunity to discuss a number of issues including academic promotion at the University, funding, and the future HEFCE budget.

44.5 The Alliance group of universities has been working on a scenario planning project, and the Vice-Chancellor reported that this may be used for a Senior Management Team discussion in future.

44.6 The Vice-Chancellor thanked the governors who attended the senior staff away day for their valuable input. Attendees discussed planning for the future, and cost saving targets were set out. The Vice-Chancellor noted that governors are very welcome to attend events at the University and that staff react positively to their presence.

44.7 On academic progression and promotion, the Vice-Chancellor reported that the trades unions now accept virtually all the points of substance in the proposal. It is planned to present a complete proposal to the trades unions on 24th May, and to staff shortly thereafter, with a further discussion with the trades unions planned for 30th May. As consultation has been extensive, it is hoped to proceed with the implementation of the proposal shortly. The Vice-Chancellor noted that there is still a possibility of a collective dispute being called by the trades unions on points where agreement cannot be reached. There is a procedure in place for this which would require the involvement of governors.

44.8 The Vice-Chancellor noted the success of the Student Academic Development Research Associate Scheme (SADRAS). Students worked with academic staff to produce high quality projects on issues around pedagogy.

44.9 The Student Led Teaching Awards which recognised excellence in teaching and student support were held in April 2013. The Vice-Chancellor noted the appreciation and gratitude expressed by students for staff at the University.

44.10 The Board noted the latest league table positions including a rise of 10 places in the Times Higher Education student experience survey.

44.11 The Board requested an update over the course of the next academic year on marketing, communications and reputation management, and it was noted that this may be a useful topic for a future away day.

Action: Add an item as outlined in 44.11 above to a future agenda [Secretariat].

44.12 The Vice-Chancellor reported that a candidate for Chief Information Officer has been recruited, and it is hoped to make an announcement soon.

45. Update on KPIs

(Paper BG 27/13)

45.1 The Head of Planning reported that, as requested at the last Board meeting, each KPI has been given a rating of red, amber or green by the Senior Management Team.

45.2 The Board considered the KPIs relating to financial surplus, retention and graduate prospects.

45.3 It was noted that the Senior Management Team has rated graduate prospects as red. Although there was a 1.5% improvement in this KPI, further work is needed to achieve the sector benchmark for graduate prospects.

45.4 The Vice-Chancellor reported that student retention is an area of weakness for the University, and work to improve retention is continuing, including holding exit interviews for those who have decided to leave their courses. A system has now been put in place to help students to manage debts to the University, thus reducing the number of students leaving courses due to debt.

45.5 Members of the Board noted the poor performance over time of particular faculties on some of the KPIs. The Head of Planning reported that the Deans have received this data as part of the planning process, and have been asked to develop plans to improve performance.

45.6 The Head of Planning reported that there is now closer communication between his office and the company which gathers data on the destination of graduates, resulting in a trustworthy data set.

Academic

46. *Minutes of the Academic Board meeting held on 17th April 2013

46.1 The Board received and noted the minutes of the meeting held on 17th April 2013.

Finance

47. Forecast Outturn Update
(Paper BG 28/13)

47.1 The Finance Director explained that at 28th February 2013 the revised outturn surplus is £6.55m, a smaller figure than has been usual in recent years.

47.2 The surplus currently stands at 4.4% of fee and funding income. There is insufficient capacity to approve further variances in the current year. However, the contingency items may not be realised and the surplus is expected to be nearer 5% by the end of the financial year. Project expenditure includes approximately £700k for essential PC replacement. The Board noted the February outturn position.

48. Draft HEFCE Financial Plan Submission 2013
(Paper BG 29/13)

48.1 It was reported that the Finance Committee had discussed the paper in detail, and believe that it will satisfy HEFCE's requirements. The Board approved the draft version, and noted that there will be a further consideration of the paper at the July meeting. The final deadline for submission to HEFCE is 31st July 2013.

48.2 The Finance Director explained that the Senior Management Team had reviewed the draft submission, and stressed the need to pursue £4.5m of cost reductions over 2013-14, with a reduced level of 'plus two' reductions of a further £5.5m by 2015/16. He noted that whilst this would meet a sustainable surplus of 5% fee and funding income over the duration of the Financial Plan, there would be no capacity for new initiatives.

48.3 It was noted that for 2013/14 and 2014/15 the surplus after restructuring costs is below the target of 5%. The Finance Committee and Board were asked to consider treating restructuring costs as exceptional as they would be necessary for the University to achieve its cost reductions. This would be acceptable if assurance could be provided that the cost reductions would be achieved. It was agreed that the outcome of previous cost saving exercises, and plans for restructuring should be shared by the Board.

Action: A report on previous cost savings and plans for restructuring to be added to a future agenda [Secretariat]

49. Finance Report for March 2013*

(Paper BG 30/13)

49.1 The Board noted the Finance Report for March 2013.

50. Financing - EBITDA Multiples - KPI
(Paper BG 31/13)

50.1 The Finance Director introduced issues associated with the HEFCE draft financial plan and its impact on future investment and funding options. The Finance Director recommended that the University operate with maximum borrowings/EBITDA ratio of 4.

50.2 The Board noted Table 1.2 which illustrates a scenario in which £50m is borrowed to finance the second phase of the campus development plan. This would take the borrowings/EBITDA ratio above 4.

50.3 Taking into consideration the recommendations of the Finance Committee, it was agreed that the University should have an upper limit of 4 for the ratio of borrowings/EBITDA .

50.4 The Board also noted that there will need to be further consideration of cash reserves, borrowing and financing of projects, particularly in relation to the campus development plan.

Audit and Risk Assurance

51. There were no matters to report.

Infrastructure

52. Campus Development Plan Phase II Exception Report
(Paper BG 32/12)

52.1 The Board received and noted the paper, which reports that all current projects are on track.

53. Kingston Hill Mid Level Refurbishment Business Case
(Paper BG 33/13)

53.1 The Board observed that the business case had been thoroughly considered by the Infrastructure Committee meeting on 8th May 2013.

53.2 The Board approved the business case on the recommendation of the Infrastructure Committee.

54. New Information Structure Programme (NIIP): Storage and Servers Project Business Case
(Paper BG 34/13)

54.1 The Board noted that the paper had been considered in detail by the Infrastructure Committee on 8th May 2013, and the Finance Committee on 9th May 2013.

54.2 The Board noted the increased project cost of £4.7m against the original estimate of £2.7m. Concerns about this were noted, and it was reported that the increase in cost was due to the additional cost of backup and service implementation. While it was reported that the overall budget of £22.5m for the programme remained realistic, sensitivity analysis will be carried out to provide greater clarity of the range of likely costs.

54.3 On the basis of this, the Board approved the business case.

55. Business Case Approval Levels
(Paper BG 35/13)

55.1 The paper was presented to the Infrastructure Committee on 8th May and Finance Committee on 9th May 2013. Both committees were supportive of the approach with the caveat that should any project be considered particularly risky or sensitive, the approving committee may refer the business case to the next level committee. Detailed comments by the committees had been incorporated into the Board paper.

55.2 The Board approved the proposal.

People

56. There were no matters to report.

Other Matters

57. Health and Safety Annual Report
(Paper BG 36/13)

57.1 The Board noted a range of successful health promotion activities, an external audit of corporate safety arrangements which rated the University 'good', the success of arrangements to prevent business interruption during the Olympic Games, and success in gaining the third consecutive international safety award from the British Safety Council.

57.2 The Board noted that the People Committee, as part of change management, are looking into health matters relating to staff, for example stress levels.

58. Health and Safety Update Report*
(Paper BG 37/13)

58.1 The Board received and noted the report.

59. Ratification of Decisions Taken by Chair's Action*
(Paper BG 38/13)

59.1 The Board received and approved the report.

Any Other Business
None.

Date of Next Meeting
The next meeting will take place on 10th July 2013 at 8.30am in room TH102/103, Penrhyn Road.

There being no further business, the meeting closed at 10.30am.